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THE MAGAZINE FOR GROWING COMPANIES

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Inc.

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The Man Who Shaped Up the U.S. Air Force
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Pnina Markman-Bonwitt

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INSIDER

Automatic Transmission

Sure, the U.S. auto industry may not have been suffering from a glut of good ideas lately, but one of the better new ones may be bouncing down from the blue skies over Texas. Last July, Dallas car dealer Carl Westcott went on line with his Automotive Satellite Television Network (ASTN), a subscription broadcast service aimed at the country's 22,000 independent car dealerships. Coupling existing technology with a commitment to daily programming, ASTN is said to be the first business-to-business specialty TV network in America—and already one of the nation's largest satellite networks of any kind.

Westcott funded the start-up to the tune of $6 million and admits he "could've lost $3 million, easy, in the early stages." Such losses seem unlikely now. Featuring one hour's worth of training programs, management seminars, industry news, and other self-help programming on weekdays, ASTN is roaring out of the showroom faster than a turbocharged Corvette. By mid-November, the network had 680 subscribers on board (at $385 per month) and was adding some 50 a week—well on its way to a break-even figure of 1,000 to 1,200. Dealers used to shelling out $300 to $400 per salesperson for training seminars seem more than willing to leave the driving to somebody else.

STEWART CHARLES COHEN

ASTN founder Carl Westcott
A satellite TV service for car dealers

"We're not teaching tricks or gimmicks; we're raising the level of salespeople's professionalism so they can make a career of this," avers Westcott. "Understand that at your typical dealership, 50% of the sales force wasn't there the year before. And our fee is lunch money when you're talking monthly operating budgets of $150,000 and up. If we help you sell one more car a month, we're worth it."

Westcott has already established a relationship with General Motors Corp. that will allow it to provide specialized programming for its dealers.

There is the possibility of extending such microdish service to, say, the hotel business. "I've heard from 8 or 10 other industries," he concedes, "and I'm sure we'll do another deal, but we'll pick our spots real carefully." And no doubt kick the tires. *—Joseph P. Kahn*

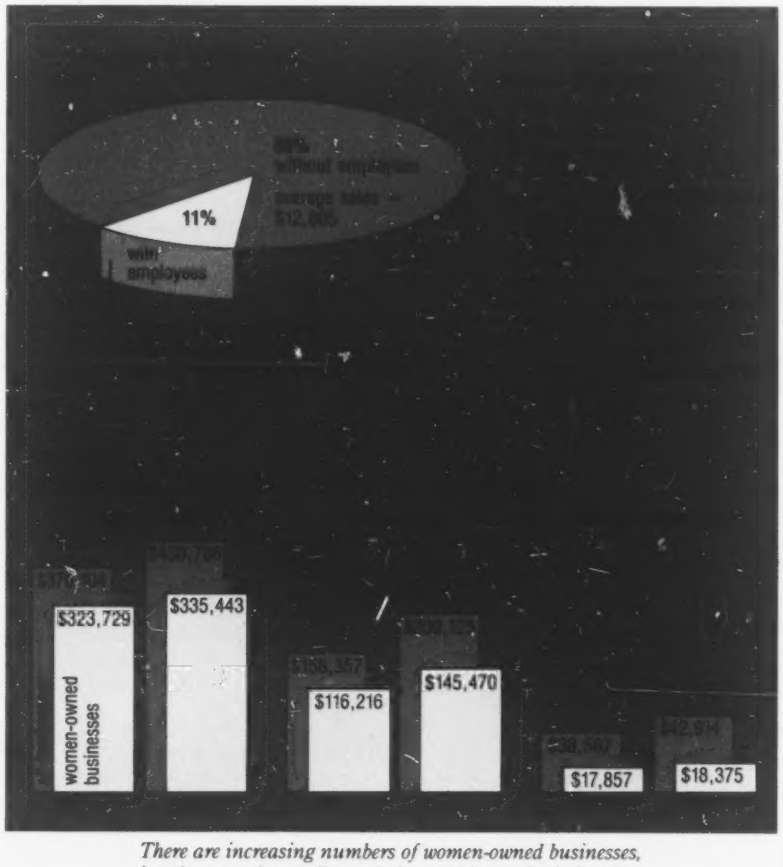
Women-Owned Companies

A new report from the U.S. Bureau of the Census makes official that more and more American businesses are owned by women. Based on 1982 federal tax returns, the bureau figures that 2.9 million, or 24%, of the nation's partnerships, sole proprietorships, and S corporations are owned by women. Even allowing for a change in the Census Bureau's methodology from the last such report back in 1977, that's an increase of more than 50%.

These are, by and large, still very small businesses (see Figure 1), both in terms of revenues and employees. Experts say this is a reflection of the relative newness of so many women-owned enterprises as well as the realities of the service industries around which they cluster (see Figure 2). The most typical woman-owned business is still the sole proprietorship with no employees and sales of less than $13,000. But even among the larger enterprises, the gender gap is widening: over the past five years, growth in the average women-owned partnerships and S corporations has lagged (see Figure 3). Overall, the average business owned by a woman takes in $34,076, or less than half the average sales of the businesses owned by men.

One encouraging figure: there were 668 businesses owned by women with more than 100 employees in 1982. Five years earlier, it was only 437.

DAVID HANNUM



There are increasing numbers of women-owned businesses, but they remain smaller and clustered in service industries.